

Conflict of Interest Management Policy

Guiding Principles

A conflict may occur when competing personal and professional interests are present. Power Parity ("GoParity") is committed to doing everything in its power to identify, monitor and manage current and potential conflicts of interest that may arise with clients and between clients.

This document defines procedures for identifying, monitoring and managing any conflicts, current or potential.

Obligations Concerning Conflict Management

GoParity considers that a conflict of interest exists when a conflict arises between:

- the interests of GoParity or related persons and the duties of GoParity towards a client;
- the divergent interests of two or more GoParity clients for whom GoParity has in each case duties.

GoParity is required to anticipate, analyze and manage any conflict of interest that may arise. For the purposes of related persons, meaning its shareholders, members of the management body and employees, GoParity adopts procedures intended to prevent any of them from carrying out a personal operation that represents a violation of any other GoParity duty provided for by law while Platform of Collaborative Financing.

GoParity adopts internal organizational mechanisms to prevent its shareholders, the members of its management bodies and employees from investing into projects available on its platform. On the other hand and for the sake of transparency, one shall be aware that according to the Portuguese Securities Market Commission (CMVM) and its guidelines (https://www.cmvm.pt/pt/AreadoInvestidor/Faq/Pages/FAQs_Crowdfunding_industria.aspx), Non-Qualified Shareholders¹ are allowed to invest in the investment proposals available on the crowdfunding platform. GoParity undertakes to comply with such guidelines, and for the purpose it discloses and declares that:

- GoParity Non-Qualified Shareholders can make investments into its platform;
- GoParity Non-Qualified Shareholders can invest up to 10% of the target amount of the relevant crowdfunding proposal. Depending on specific circumstances of the proposal, such percentage may vary, and any variation shall be duly disclosed on the page dedicated to the relevant proposal;
- GoParity Non-Qualified Shareholders who intend to invest in the investing proposals, shall invest in any of such proposals, except in specific cases, which reasonably justify more targeted investments by such Non-Qualified Shareholders;
- It shall make any reasonable efforts to record any investment performed by GoParity Non-Qualified Shareholders;
- It shall make any reasonable efforts to assess and prevent, on a case-by-case basis, any situation which may result into a material conflict of interest, regarding the investments to be performed by GoParity Non-Qualified Shareholders. In case a

¹ According to CMVM Regulation n.º 1/2016, which applies to the crowdfunding services, a Qualified Shareholder means a shareholder holding, directly or indirectly, a participation which is equal or higher than 10 % of the share capital or voting rights of the Company managing the crowdfunding platform.

conflict of interest is detected by GoParity, the latter reserves the right to prohibit the relevant investment by its Non-Qualified Shareholder(s), unless effective measures can be implemented, to mitigate the conflict of interest risks.

Moreover, GoParity is aware of the obligations arising from the European Crowdfunding Legislation, namely from Regulation (EU) 2020/1503 of the European Parliament and of the Council of 7 October 2020, and undertakes to take any reasonable measure and make any reasonable effort to comply with such obligations, namely with the ones set forth by Article 8 which specifically addresses the conflict of interest topic.

Criteria for identifying current or potential conflict areas

GoParity will review whether GoParity or anyone directly or indirectly related:

- may have a financial gain or avoid a financial loss at the client's expense;
- has an interest in the outcome of service provided to a client that is distinct from the client's interest;
- has a financial or other incentive to favor one client's interest over another;
- operates in the same business area as the client;
- receive from someone other than the client, and in connection with a service provided to the client, a remuneration in the form of money, goods or services other than general commission for that service.

Acting as collaborative financing intermediary

The following procedures should be followed to manage conflicts inherent to the intermediary lending activity.

Acceptance of any new commitment

The process for accepting a new business must include a discussion of the level of real or potential conflicts associated with its acceptance. All new businesses must be approved by the executive management and must include a discussion of the terms proposed so that the executive management can assess whether a conflict may or may not exist. If the potential for conflict is higher than normal, a member of the board should be appointed to monitor the progress of the engagement.

Terms of commitment letter

The letter of commitment should allow for withdrawal by GoParity if it is not satisfied that the borrower understands or intends to act in the interest of potential lenders.

Before launching a loan

Before announcing a new loan on the website, a due diligence update, including a review of the proposed terms, should be provided to executive management. Any significant change to the original terms must be justified and approved by the executive management.

Measures to prevent conflict of interest

The potential for conflicts of interest between GoParity and clients is very low, namely by prohibiting investment in opportunities made available through the platform to partners, members of the management body and employees.

The mechanisms for mitigating GoParity's conflicts of interest involve the following measures:

- Active and monitorable restrictions on related persons;
- Prohibition of investment positioning by GoParity and related persons;
- Creation of compensation structures that ensure independence in the provision of services to Clients;

- The Compliance Officer regularly monitors and assesses the adequacy and effectiveness of the Conflict of Interest Management Policy and the measures and procedures adopted;
- Communicating and providing transparent and clear information to Clients about possible conflicts of interest that may arise in the scope of the activity.

Disclosure

If executive management concludes that there is a potential conflict of interest that could create a material risk or damage to a client, the responsible executive officer will notify the client or potential client in writing within 24 hours of becoming aware of that conflict. For a potential client not yet committed, the disclosure must be made in sufficient detail so that the latter can make an informed decision.

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